



MARCH 5, 2019 COMMENTS TO CT GENERAL ASSEMBLY'S ENERGY & TECHNOLOGY COMMITTEE FROM SOLARCONNECTICUT (SOLARCONN) GOVERNMENT AFFAIRS COMMITTEE CHAIRMAN NOEL LAFAYETTE, PRESIDENT SHR ENERGY

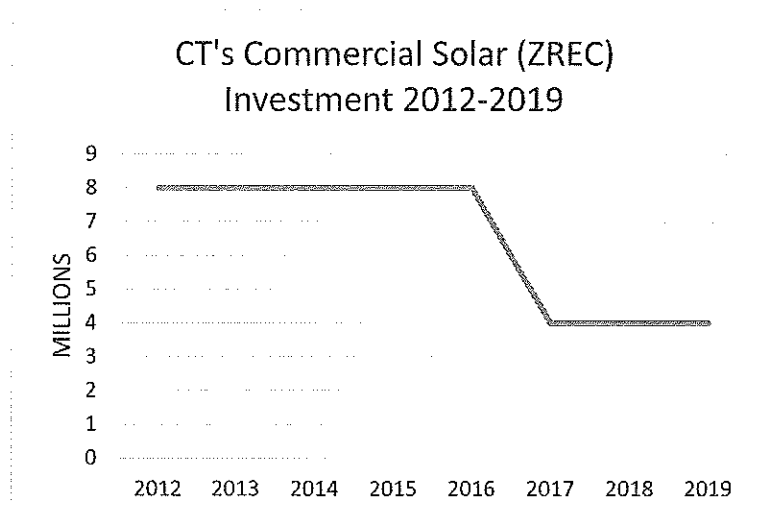
OPPOSE H.B. No. 7251 (RAISED) AN ACT CONCERNING LONG-TERM CONTRACTS FOR CERTAIN CLASS I GENERATION PROJECTS AND THE RESIDENTIAL SOLAR INVESTMENT PROGRAM AND REQUIRING A STUDY OF THE VALUE OF SOLAR.

Committee Chairs, Ranking Members and Members of the Energy & Technology Committee – SolarConnecticut is the state's solar energy business group includes nearly 40 businesses financing, designing, installing and developing commercial and residential solar power systems in Connecticut since 2007. In Connecticut, 2,200 workers are employed by solar businesses operating here.

Major changes must be made to HB 7251 to ensure the sustained, orderly development of the Connecticut commercial solar industry as is required by Connecticut General Statutes section 16-245ff (4)(d)(3).

Connecticut's electric ratepayers invest in the state's commercial solar market through the Zero Emissions Renewable Energy Credit Program (ZREC) that requires the state's electric power companies (Eversource/United Illuminating Company) to purchase Class I renewable energy credits (RECs) under 15-year contracts with owners or developers of solar energy projects in Connecticut. The production of a megawatt hour of electricity from a solar energy source creates one REC.

Beginning in 2012, the electric power companies began what was to be a 6-year ZREC program in which they were to purchase \$8 million worth of RECs from commercial solar projects. In Year 6, the ZREC program funding was cut by 50% (see chart below). This 50% cut was maintained when the ZREC program was extended. The one-year extension in HB 7251 continues this 50% reduction in funding.



Cutting the investment in commercial solar cut deployment levels in half. It also cut commercial solar jobs by 50%. It's part of the reason why solar job growth in Connecticut increased by just 1% last year here. In fact, Connecticut may be the only pro-solar state in America that is deploying half as much solar today than it was in 2012.

Because our commercial solar goals are so low, (far lower than surrounding states per capita) hundreds of millions of dollars in private financing that should create new jobs and economic development in Connecticut is going to other states.

SolarConn thankful to the Committee for raising a bill the begins to repair the damage done by Sec. 7 in 2018's Senate Bill No. 9. Though HB 7251 simply restores commercial solar investment to 2012 levels. Connecticut should be increasing its investment in solar on commercial business rooftops like the significant investment made in neighboring Massachusetts where 5X more commercial solar is being installed compared to Connecticut.

To increase solar jobs and help more state businesses lower their energy bill by installing solar, the Committee would have to double the 2012 investment level in HB 7251's ZREC Year 9 and add a Year 10 at the same level.

Separately, besides Connecticut's job-killing solar pilot programs, short-sighted program caps and program goals that are repeatedly set too low, the state's ZREC law also limits the amount of solar a business owner can put on a rooftop so as not to exceed the load at the customer's individual electric meter. This means solar businesses may have roof space to support more solar, the current ZREC law prohibits them from doing so. We ask the Committee to rewrite this law to allow businesses to max out on the amount of solar that will reasonably fit on their roof or ground space.

We have provided language to the Committee on both ZREC investment and project sizing issues.

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